

May 6, 1959

MEMO FOR OFFICE STUDY ONLY

FROM: Harold D. Donaldson

RE: Adjudication, Columbia River

SUBJECT: George Creek Irrigation Interests

The following is an analysis of the rights to the use of water on George Creek based upon the interest and information that was given in the Sept. 20, 1898 Decree of Judge Charles H. Hart. This decree gave 1/3 interest to Charles Yost, the Plaintiff and 2/3 interest to the defendants. The successors to the interest in these rights are as follows: the 1/3 interest formerly owned by Charles Yost is now owned by LaRue B. Yates with the other 2/3 interest being owned by a group of individuals that later formed the George Creek Irrigation Corporation. This corporation neglected to renew their charter and the company was dissolved. At that time two members of the company, Mr. Wallace Spencer and Mr. Edward Holtman refused to re-incorporate in the new George Creek Irrigation Corporation. The former George Creek Corporation had a total of 190 shares of water which comprised their 2/3 interest of the flow of George Creek. When Mr. Spencer and Mr. Holtman refused to re-incorporate with the company they retained 25 shares of the original 190 shares of stock. Fifteen of these were owned by Wallace Spencer and 10 by Edward Holtman. When the company re-incorporated they had a total of 165 shares. These shares are now owned by the following individuals:

<u>Water Users</u>	<u>Shares of Stock</u>	
✓ Martin Booth	5	
✓ Byron L. Chadwick	10	to 15 July - Sabre
✓ James & Virginia Davenport (Rollo J. Kimber)	35	apt
✓ Alay Fehlman Company	5	between
✓ Yale Montgomery Company	10	Mr. D. Thompson
✓ George Wright	10	Mr. Taylor
✓ Karl A. Oman	7 1/2	
✓ Harold Oman	2 1/2	
✓ Elec Teeter (Evelyn Smith)	10	
✓ Joseph E. Taylor	10	
✓ Orville E. Taylor	10	12 1/2 after July 15
✓ Roy A. Teeter	20	July 1 - 15 Sabre July 2
✓ Darwin Thompson	10	12 1/2 after July 15 Nov 15
✓ Arland & Jay Tingey (James B. Tracy)	10	
✓ Thomas Wright Company	10	- to July 1 - Sabre
	165	July 2
Total		Nov 15
		155 after July 2

In Article 14 of the Articles of Incorporation of the George Creek Irrigation Corporation it states that the certificated stock held by Darwin Thompson and Orville E. Taylor will be increased by 2 1/2 shares

each after the 15th day of July and the shares of Byron L. Chadwick will be diminished by 5 shares after the 15th day of July. The shares of Roy A. Teeter and Thomas R. Wright shall be diminished by 5 shares each after the first day of July. Therefore, after the first day of July the total amount of active stock in the company will be 155 shares.

If the waters of George Creek were to be divided based upon the rights of the stockholders and private individuals on the various branches of George Creek there would be 75/540ths interest owned by the upstream users, 135/540ths by the users on the east branch and 330/540ths by the users on the west branch. This would make the division of water at the lone rock Divider to be 9/31 interest to the east branch and 22/31 to the west branch. These figures were compiled in the following manner. The irrigation company will have the following shares on the following sources after July 1.

<u>Upstream users</u>	<u>Shares</u>
Harold Oman	2 ½
Karl Oman	7 ½
Joseph E. Taylor	10
Marlin Booth	5
Darwin Thompson & Orville Taylor	12 ½
Total	37 ½

<u>East branch users</u>	
Darwin Thompson & Orville Taylor	12 ½
George Wright	10
Thomas Wright	5
Roy Teeter	15
Arland & Jay Tingey	5
Byron Chadwick	5
Fehlman Company	5
Montgomery Company	10
Total	67 ½

<u>West branch users</u>	
James Davenport (James Kinder)	35
Cleo Teeter (E. Smith)	10
Arland & Jay Tingey	5
Total	50

The total number of shares of the irrigation company during this period of use is 155. This is 155/180ths of the 2/3 interest that was formerly

owned by the irrigation company. The  $37 \frac{1}{2}$  shares of the upstream users is equal to  $75/540$ ths of the entire flow of George Creek. The  $67 \frac{1}{2}$  shares on the east branch is equal to  $135/540$ ths of the entire flow of George Creek and the 50 shares on the west branch are equal to  $100/540$ ths of the entire flow of George Creek. In addition to the  $100/540$ ths owned by the irrigation company on the west branch there is  $50/540$ ths interest of the entire flow of George Creek owned by the former members of the company, Wallace Spencer and Edward Holtman. The remaining  $180/540$ ths is owned by LaRue Yates. Therefore, the interests on George Creek are as follows:  $75/540$ ths for the upstream users,  $135/540$ ths for the east branch users and  $335/540$ ths for the west branch users.

During the irrigation season the practice of the George Creek Irrigation Company will be one of rotation where they will divert all of their water to the individual stockholders for a specified number of hours. Under this system the interest on each source would become purely academic.